

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

April 5, 2004

LB 1065

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Baker, to open on the committee amendments...I mean the bill, rather.

SENATOR BAKER: Thank you, Senator Cudaback. I'd be opening on the bill, I think, as you said. I will go through the bill. We do have committee amendments, as noted, but basically those are some changes. It's not a rewrite of the bill by any means. Let me tell you how we got to LB 1065, how it got its current form, was introduced and so on. We had a group of people, senators, staff, members, the Governor's staff participated, Department of Economic Development, Department of Revenue, the corn and the sorghum growers, Farm Bureau, cattlemen. We all met a number of times here in the Capitol last...late last summer and through the fall, I think the last meeting was toward the...it was in December, I know that, to come to a consensus to put together LB 1065. It wasn't maybe unanimous, but it was a consensus that felt like this would solve our problem, the problem being...and it's not a problem. I support ethanol production across the state, but we have four plants who will be up and producing ethanol. Three of them are currently producing. I believe the plant at Central City expects to be grinding grain and producing ethanol in the first week of May. The other three are currently producing. We had funding in LB 536 for two plants. Those plants, Plainview and Axtell, they are up and going, have been for some time. We funded two plants in LB 536. We have four plants. Now, when we met as a group last fall, we picked the scenario that we would have four plants up and producing, according to legislative intent. Those are complete plants. I think the smallest one is actually at Plainview, 20 million gallons. The largest I believe is 40 million gallons at Central City. We chose that scenario, there would be four plants up and producing, as legislative intent indicated that we would have to have a complete plant producing denatured alcohol, salable to the public. We have two plants we need to fund on top of the two that are included in the funding in the original LB 536. If you look at the handout I just had passed around, you will see that there is a shortfall beginning in...we can pay our bills, our commitments, through August of 2005, and we would thereby after that have a deficit. We could not fulfill our contractual obligation to the four plants that are out there and will be